



State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

March 23, 2004

Ralf Osswald
Vice President Manufacturing
Holcim (US) Inc.
P.O. Box 122
Dundee, Michigan 48131

Subject: Formal Approval of Form and Amount of Updated Reclamation Surety and Abatement of Notice of Potential Noncompliance and Division Directive, Holcim (US) Inc., Poverty Point Limestone Quarry, M/045/012, Tooele County, Utah

Dear Mr. Osswald:

On March 22, 2004, the Director of the Division of Oil, Gas and Mining formally approved the form and amount of Holcim (US) Inc.'s updated reclamation surety for their Poverty Point Limestone Quarry located in Tooele County, Utah. In performing the standard five-year review of Holcim's plan for bond escalation purposes, it was discovered that Holcim had expanded beyond their permitted area. As a result of that discovery, on September 23, 2003, the Division issued a Potential Noncompliance and Division Directive to Holcim.

On October 1, 2003, we received an amendment to add the additional 6.69 acres to the Poverty Point mine plan. After finalizing our review, it was determined that the bond would need to be increased from \$29,7800 to \$47,400 to cover the increase of the disturbed area and escalate the bond to year 2008 dollars. On January 30, and February 24, 2004 respectively, we received an "Increase Certificate" issued by Travelers Casualty and Surety Company and the replacement Reclamation Contract which is directly tied to the surety.

Copies of the signed and executed updated Reclamation Contract and the Increase Certificate are enclosed for your records. Also enclosed, for your disposal, is the original 1997 Reclamation Contract.

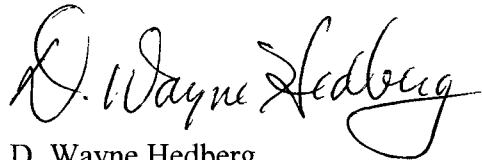
Ross Oswald
Page 2 of 2
M/045/012
March 23, 2004

The Division hereby grants its final approval of your updated surety to year 2008 to include 16.92 acres. The Notice of Potential Noncompliance and Division Directive are now satisfied and are hereby abated.

In a recent meeting with representatives of your staff, it was agreed that by August 1, 2004, Holcim would again update their Poverty Point mining and reclamation plan to include further expansion. Please do not create any disturbance beyond the existing 16.92 acres before that plan is submitted and you have received final approval. When the changes reach the tentative approval stage, the surety will need to be adjusted again at that time before final approval can be granted.

Thank you, Ken George and Tom Newman, for your professionalism and cooperation in finalizing this permitting action. Please call me if you have any questions in this regard.

Sincerely,

A handwritten signature in black ink, reading "D. Wayne Hedberg". The signature is fluid and cursive, with the first name "D." and last name "Hedberg" clearly legible.

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb

Enclosures: #1 – copies of updated RC & increase certificate
#2 – Original 1997 RC

cc: Ken George, w/Encl #1
John Blake, SITLA, w/Encl #1

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STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291
Fax: (801) 359-3940

RECLAMATION CONTRACT
---ooOoo---

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.)	<u>M/045/012</u>
(Mineral Mined)	<u>Limestone</u>
"MINE LOCATION":	
(Name of Mine)	<u>Poverty Point Limestone Quarry</u>
(Description)	<u>Tooele County Approx. 7 miles west of I-80</u> <u>on the Rowley Access Road</u>
"DISTURBED AREA":	
(Disturbed Acres)	<u>16.92</u>
(Legal Description)	<u>(refer to Attachment "A")</u>
"OPERATOR":	
(Company or Name)	<u>Holcim (US) Inc</u>
(Address)	<u>P. O. Box 122</u> <u>Dundee MI 48131</u>
(Phone)	<u>734 529 2411</u>

RECEIVED
FEB 24 2004
DIV. OF OIL, GAS & MINING

TN-3-16-04
-3-16-04

"OPERATOR'S REGISTERED AGENT":

Name)

(Address)

(Phone)

C T Corporation System

50 West Broadway, 8th Floor

Salt Lake City, Utah 84101

(801) 364-5101

"OPERATOR'S OFFICER(S)":

Patrick Dolberg, President / CEO

Badreddine Filali Baba, Vice Pres. Mfg.

Ralf Osswald, Vice Pres. Mfg.

SURETY":

(Form of Surety - Attachment B)

Surety Bond

"SURETY COMPANY":

(Name, Policy or Acct. No.)

Travelers Casualty & Surety Co. of America

"SURETY AMOUNT":

(Escalated Dollars)

\$47,400.00

"ESCALATION YEAR":

2008 Dollars

"STATE":

"DIVISION":

"BOARD":

State of Utah

Division of Oil, Gas and Mining

Board of Oil, Gas and Mining

ATTACHMENTS:

A "DISTURBED AREA":

B "SURETY":

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Holcim (US) Inc. the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/045/012 which has been approved/accepted by the Utah State Division of Oil, Gas and Mining under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved/accepted Reclamation Plan or Notice, and Operator is obligated to provide surety in form and amount approved by the Division, to assure reclamation of the Disturbed Area.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the approved/accepted Notice of Intention and Reclamation Plan or Notice received June 23, 1980. The Notice of Intention and the Reclamation Plan, as amended, are incorporated by this reference and made a part hereof.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Division. Such surety as evidenced by the Surety Contract is in the form of the surety attached hereto as Attachment B and made a part hereof. The Surety Contract shall remain in full force and effect according to its terms unless modified by the Division in writing. If the Surety Contract expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the Surety Contract, the Operator shall provide a replacement Surety Contract in a form and amount reasonably acceptable to the Division. If the Operator fails to provide an acceptable replacement Surety Contract, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.
3. Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
6. If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance with the Act and Implementing rules, the Notice of Intention, as amended and the

Reclamation Plan, as amended. If the Division makes such certification, Operator may make request to the Division that the aggregate face amount of the Surety Contract provided pursuant to paragraph 2 be reduced to an amount necessary to provide for completion of the remaining reclamation. The Division shall hear Operator's request for such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.

7. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
9. This Contract shall be governed and construed in accordance with the laws of the State of Utah.
10. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
11. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Board of Oil, Gas and Mining may enter an order to revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety Contract, or take such other action as is authorized by law.
12. In the event of forfeiture of the Surety Contract, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety Contract, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
13. This Contract including the Notice of Intention, as amended and the Reclamation Plan, as amended, represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
14. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

OPERATOR:

Holcim (US) Inc
Operator Name

By Ralf Osswald
Authorized Officer (Typed or Printed)

V.P., Manufacturing
Authorized Officer - Position

R. Osswald 2/2/2004
Officer's Signature Date

STATE OF Michigan)
COUNTY OF Monroe) ss:

On the 20th day of February, 2004, Ralf Osswald
personally appeared before me, who being by me duly sworn did say that he/she is the
V.P., Manufacturing of Holcim (US) Inc. and
duly acknowledged that said instrument was signed on behalf of said company by
authority of its bylaws or a resolution of its board of directors and said
Officer duly acknowledged to me that said
company executed the same.

Kathie I. Szczurek
Notary Public
Residing at Monroe, MI

10-6-04
My Commission Expires:

KATHIE I SZCZUREK
Notary Public, Monroe County, MI
My Commission Expires Oct 6, 2004

DIVISION OF OIL, GAS AND MINING:

By Lowell P Braxton
Lowell P. Braxton, Director

3/23/04
Date

STATE OF Utah)
COUNTY OF Salt Lake) ss:

On the 22nd day of March, 2004, Lowell P Braxton personally appeared before me, who being duly sworn did say that he, the said Lowell P Braxton is the Director of the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah, and he duly acknowledged to me that he executed the foregoing document by authority of law on behalf of the State of Utah.



Joelle Burns
Notary Public
Residing at: S LC Utah

April 4. 2005
My Commission Expires:

ATTACHMENT "A"

Holcim (US) Inc.
Operator

Poverty Point
Mine Name

M/045/012
Permit Number

Tooele County, Utah

LEGAL DESCRIPTION

Include 1/4, 1/4, 1/4 sections, townships, ranges and any other descriptions that will legally determine where disturbed lands are located. Attach a topographic map of suitable scale (max. 1 inch = 500 feet; 1 inch = 200 feet or larger scale is preferred) showing township, range and sections and a clear outline of the disturbed area boundaries tied to this Reclamation Contract and surety.

The detailed legal description of lands to be disturbed includes portions of the following lands not to exceed 16.92 acres under the approved / accepted permit and surety, as reflected on the attached map labeled Raw Mineral Survey and dated 3/30/90:

Quarry – Consists of 14.99 acres located in portions of:

Sections 16, Township 1 North, Range 8 West, SLBM

Haul Road – Consists of 9 acres of which 1.93 acres will be reclaimed.

The permitted area also includes a 50 foot wide right-of-way for a haulage road that runs southerly and southeasterly from the quarry area to a paved highway leading to Rowley Junction at I-80. The right-of-way is 8,358 feet long and crosses portions of :

Sections 16, 21, 22, and 27, Township 1 North, Range 8 West, SLBM



IMPORTANT DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

On November 26, 2002, President Bush signed into law the Terrorism Risk Insurance Act of 2002 (the "Act"). The Act establishes a short-term program under which the Federal Government will share in the payment of covered losses caused by certain acts of international terrorism. We are providing you with this notice to inform you of the key features of the Act, and to let you know what effect, if any, the Act will have on your premium.

Under the Act, insurers are required to provide coverage for certain losses caused by international acts of terrorism as defined in the Act. The Act further provides that the Federal Government will pay a share of such losses. Specifically, the Federal Government will pay 90% of the amount of covered losses caused by certain acts of terrorism which is in excess of Travelers' statutorily established deductible for that year. The Act also caps the amount of terrorism-related losses for which the Federal Government or an insurer can be responsible at \$100,000,000,000.00, provided that the insurer has met its deductible.

Please note that passage of the Act does not result in any change in coverage under the attached policy or bond (or the policy or bond being quoted). Please also note that no separate additional premium charge has been made for the terrorism coverage required by the Act. The premium charge that is allocable to such coverage is inseparable from and imbedded in your overall premium, and is no more than one percent of your premium.

ACKNOWLEDGMENT OF SURETY

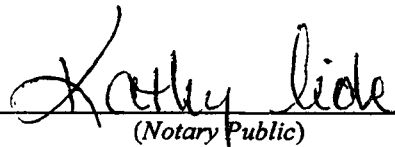
STATE OF MICHIGAN)
COUNTY OF OAKLAND)
ACTING IN WAYNE)

On this 22nd day of January, 2004, before me personally came Latrechia R. Scott who, being by me duly sworn, did depose and say that she is an Attorney-in-Fact of the Travelers Casualty and Surety Co. of America, and knows the corporate seal thereof; that the seal affixed to said annexed instrument is such corporate seal, and was thereto affixed by authority of the Power of Attorney of said Company, of which a Certified Copy is hereto attached, and that she signed said instrument as an Attorney-in-Fact of said Company by like authority.

*Acknowledged and Sworn to before me
on the date above written*

My Commission Expires

Kathy Lide
Notary Public, Oakland County, Michigan
My Commission Expires: September 3, 2005


(Notary Public)

TRAVEL CASUALTY AND SURETY COMPANY OF ERICA
TRAVELERS CASUALTY AND SURETY COMPANY
FARMINGTON CASUALTY COMPANY
Hartford, Connecticut 06183-9062

POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT

KNOW ALL PERSONS BY THESE PRESENTS, THAT TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, corporations duly organized under the laws of the State of Connecticut, and having their principal offices in the City of Hartford, County of Hartford, State of Connecticut, (hereinafter the "Companies") hath made, constituted and appointed, and do by these presents make, constitute and appoint: **Kathy L. Lide, Latrecia R. Scott, B. Halthon, of Detroit, Michigan,** their true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred to sign, execute and acknowledge, at any place within the United States, the following instrument(s): by his/her sole signature and act, any and all bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking and any and all consents incident thereto and to bind the Companies, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of the Companies, and all the acts of said Attorney(s)-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This appointment is made under and by authority of the following Standing Resolutions of said Companies, which Resolutions are now in full force and effect:

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her.

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary.

VOTED: That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary, or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority.

This Power of Attorney and Certificate of Authority is signed and sealed by facsimile (mechanical or printed) under and by authority of the following Standing Resolution voted by the Boards of Directors of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, which Resolution is now in full force and effect:

VOTED: That the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY have caused this instrument to be signed by their Senior Vice President and their corporate seals to be hereto affixed this 28th day of September 2001.

STATE OF CONNECTICUT

}SS. Hartford

COUNTY OF HARTFORD

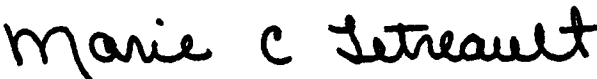
TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
TRAVELERS CASUALTY AND SURETY COMPANY
FARMINGTON CASUALTY COMPANY



By 
George W. Thompson
Senior Vice President

On this 28th day of September, 2001 before me personally came GEORGE W. THOMPSON to me known, who, being by me duly sworn, did depose and say: that he/she is Senior Vice President of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, the corporations described in and which executed the above instrument; that he/she knows the seals of said corporations; that the seals affixed to the said instrument are such corporate seals; and that he/she executed the said instrument on behalf of the corporations by authority of his/her office under the Standing Resolutions thereof.




My commission expires June 30, 2006 Notary Public
Marie C. Tetreault

CERTIFICATE

I, the undersigned, Assistant Secretary of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, stock corporations of the State of Connecticut, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney and Certificate of Authority remains in full force and has not been revoked; and furthermore, that the Standing Resolutions of the Boards of Directors, as set forth in the Certificate of Authority, are now in force.

Signed and Sealed at the Home Office of the Company, in the City of Hartford, State of Connecticut. Dated this 22nd day of January, 20 04



By 
Kori M. Johanson
Assistant Secretary, Bond

INCREASE CERTIFICATE

M/045/012

Bond No:

RECEIVED

Principal: Holcim (US) Inc.

JAN 30 2004

DIV OF OIL GAS & MINING

Obligee: State of Utah, Division of Oil, Gas and Mining Division

Amount of Bond: \$29,700.00

Hereby Increased To: \$47,400.00

TYPE OF BOND: Land Reclamation

As of the 22nd day of January, 2004, the amount of the above described bond is increased from the sum of \$29,700.00 to the sum of \$47,400.00, but the liability of the Surety for any acts or defaults occurring before the effective date hereof shall in no event exceed the sum first named, and the aggregate liability for any and all acts and defaults, whenever committed, shall in no event exceed the sum last named, it being the intent hereof to preclude cumulative liability. This certificate, when signed by the Principal, shall become a part of the said bond.


Signed, Sealed and Dated this 22nd day of January, A. D., 2004.

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

By:  (Seal)
Latrecia R. Scott, Attorney-In-Fact

Poverty Point Limestone Quarry
Permit #M/045/012

HOLCIM (US) INC.

By: 
KURT B WALKER